

M e m o r a n d u m

To: Panel Members

Date: August 27, 2004

From: Dolores Kendrick, Manager

Analyst: M. Tolentino

Subject: PROPOSED AMENDMENT NO. 2 FOR EL CAMINO COMMUNITY COLLEGE DISTRICT/ CENTER FOR APPLIED COMPETITIVE TECHNOLOGIES (CACT)

CONTRACTOR:

- Multiple Employer: Training Agency
- Training Project Profile: Retraining: Companies W/Out-Of-State Competition
- Legislative Priorities: Promotion of California's Manufacturing Workforce Moving To A High Performance Workplace
- Type of Industry: Manufacturing
- Repeat Contractor: Yes
- ETP Trainees Represented by Union: No
- Name and Local Number of Union Representing ETP Trainees: None Of The Core Group Of Employers Is Represented By A Collective Bargaining Agreement.

CONTRACT:

- Program Costs:
 - Present Program Costs:** \$229,200
 - Amendment Program Costs +:** \$478,560
 - Total Program Costs:** \$707,760
- Multiple Employer Support:
 - Present Contract Support (8 %):** \$15,860
 - Amendment Support (8 %):** \$32,980
 - Total Support:** \$48,840
- Substantial Contribution:
 - Present Contract Contribution:** \$0
 - Amendment Contribution +:** \$0
 - Total Contributions:** \$0

- Total ETP Funding: \$756,600
- In-kind Contribution: \$1,253,227
 - *Trainee Wages Paid During Training*
 - Present Contract:** \$198,400
 - Amendment:** \$593,377
 - *Other Contributions:*
 - Present Contract:** \$90,200
 - Amendment:** \$371,250
 - *Total Contribution*
 - Present Contract:** \$288,600
 - Amendment:** \$964,627
 - *Maximum Contractor Charge To Participating Employers*
 - Present Contract:** \$0
 - Amendment:** \$0
- Reimbursement Method: Fixed-Fee
- County(ies) Served: Statewide

INTRODUCTION:

El Camino College CACT is eligible to contract with ETP under California Unemployment Insurance Code, Section 10205(c)(2) as a training agency.

El Camino College, founded in 1946, is a two-year community college located in Torrance California. El Camino College's Center for Applied Competitive Technologies goal is to advance California's economic growth and global competitiveness through education, training, and services that contribute to continuous workforce development, technology deployment, and business development. This goal is achieved through the provision of customized training, workshops and technical assistance to local manufacturers.

This Agreement was originally approved at the July 2003 Panel Meeting for \$245,060 to train 410 currently employed workers. The participating employers are eligible for ETP funding under Title 22 California Code of Regulations, Sections 4416(a) (1-4) as manufacturers and other companies facing out-of-state competition which produce a product sold in the state which competes with products produced out-of-state.

INTRODUCTION: (continued)

The Contractor reports that 380 trainees started training and 30 additional trainees will commence training in September 2004. Also, of the 290 trainees who completed training, 220 trainees will complete the retention period by September 2004.

This Amendment proposes to create a second Phase and train an additional 700 trainees to assist employers in upgrading the skills of the manufacturing workforce.

The Contractor's representatives state that CACT marketing strategies have changed over the last six months. The CACT which is part of El Camino College's Business Training Center has other departments such as Workplace Learning Resource Center and Center for International Trade Development which are now participating in the ETP-funded training. Therefore, a more effective and successful marketing effort has emerged, necessitating the request for additional trainee slots. The CACT will maintain responsibility for managing the contract, however, marketing and delivery of training will be shared by El Camino College's Business Training Center.

The core group of employers in the proposed Amendment consists of manufacturing companies that need to upgrade the skill level of their workforce to stay competitive and to meet their customer needs. The Contractor's curriculum reflects the increasing demand for manufacturing, business, computer skills, continuous improvement and literacy skills necessary to transition to a high performance workplace. The Contractor has submitted a list of "core" employers to support the increase in trainees and funding.

TRAINING PLAN TABLE (Phase I):

Grp/Trainee Type	Types Of Training	No. Retain	No. Class/ Lab Videocnf. Hrs	No. CBT Hrs.	No. SOST Hrs.	Cost Per Trainee	Hourly Wage After 90 Days
Retrainee Job 1 - 3	MENU: Manufacturing Skills Continuous Improvement Business Skills Computer Skills Literacy Skills	410	40-80	0	0	\$556-\$855	*10.98 – 60.00
					<u>Prevalent Hourly Wage</u>		
					\$12.50		
					<u>Average Cost Per Trainee</u>		
<u>Health Benefits Used To Meet ETP Minimum Wage:</u> *Health Benefits of at least \$2.50 per hour will be applied to the trainees' base wage for Job Numbers 1, 2 and 3 to meet the ETP minimum wage of \$11.92 for Los Angeles County, \$11.74 for Orange County, \$11.18 for San Diego County, \$10.99 for Ventura County, and \$10.98 for Riverside and San Bernardino Counties.					<u>Turnover Rate</u> 20%		<u>% Of Mgrs & Supervisors To Be Trained:</u> N/A
					\$598		
<u>Other Employee Benefits:</u> In addition to medical, dental and vision benefits, employer-paid benefits may include, but not limited to, sick leave, vacation, life insurance and disability insurance.							

TRAINING PLAN TABLE (Phase II):

Grp/Trainee Type	Types Of Training	No. Retain	No. Class/ Lab Videocnf. Hrs	No. CBT Hrs.	No. SOST Hrs.	Cost Per Trainee	Hourly Wage After 90 Days
Retrainee Job 4 - 5	MENU: Manufacturing Skills Continuous Improvement Business Skills Computer Skills Literacy Skills	700	24-160	0	0	\$667 – \$1,411	*11.16-\$60.00
					<u>Prevalent Hourly Wage</u> \$12.50		
					<u>Average Cost Per Trainee</u> \$730		
<u>Health Benefits Used To Meet ETP Minimum Wage:</u> *Health Benefits of at least \$2.50 per hour will be applied to the trainees’ base wage for Job Numbers 4 and 5 to meet the ETP minimum wage of \$12.17 for Los Angeles and Orange Counties, \$11.61 for San Diego County and \$11.16 for Ventura, Riverside and San Bernardino Counties.					<u>Turnover Rate</u> 20%		<u>% Of Mgrs & Supervisors To Be Trained:</u> N/A
<u>Other Employee Benefits:</u> In addition to medical, dental and vision benefits, employer-paid benefits may include, but not limited to, sick leave, vacation, life insurance and disability insurance.							

COMMENTS / ISSUES:

➤ *Frontline Workers*

All participants in this project meet the Panel definition of frontline workers under Title 22 California Code of Regulations, Section 4400(ee). No managers or supervisors are participating in the Agreement.

➤ *Compensatory Nature of Training*

Training is mandatory for all trainees.

➤ *Production During Training*

Contractor agrees that during ETP-funded training hours, trainees will not produce products or provide services which will ultimately be sold.

➤ *On-Site Training*

To ensure customization of training for participating employers, CACT staff will conduct interviews to executive and management staff to define training necessary to improve performance. Once specific training needs have been determined, the employer is introduced to CACT trainer(s) for each of the needed subject areas. With the employer's direct participation, a customized curriculum is developed to address specific training needs. All Phase II training will be conducted at employer sites.

PROPOSED ACTION:

Staff recommends approval of this Amendment if funding is available and the project meets Panel priorities. This recommendation is based on CACT's stated need to provide workers of participating employers with skills to enhance each company's ability to remain competitive, grow, and ensure a continuing relationship with its customers in the community.

NARRATIVE:

Supplemental Nature of Training

State law requires that ETP funds be used to supplement, rather than displace, funds available through existing programs conducted by employers and government-funded programs. Each of the employers represented in this application is focused on improving the development of staff and maintaining its competitiveness and market share. Currently, companies provide workers with safety training, one-on-one training, and reimbursement for college courses and seminars. The core group of employers has delivered training in subjects such as ISO, Boeing D1-9000, Six Sigma Greenbelt training, safety training, and engineering problem-solving. Some of this

NARRATIVE: (continued)

training was at the introductory or overview level, delivered at workshops, seminars, and plant training meetings.

The participating employers have developed plans and budgets for training. However, they look to CACT and ETP as the training and funding source that will supplement their ongoing training programs to include professionally designed and delivered training. CACT representatives state that the core group of employers would not be able to address their training needs if ETP funds were not available to them. Although several of the core group of employers participated in ETP training in the past, the majority of the workers to be trained under this Agreement have not participated in past contracts. Those trainees who have benefited from past ETP training will be trained in new areas to further enhance their individual skills and improve company performance.

ACTIVE PROJECTS:

The following are current project statistics:

ACTIVE PROJECTS						
Agreement Number	Agreement Amount	Term	Planned Number To Be Retained	Number Enrolled	Number Completed Training	Number Retained For 90 Days
*ET04-0525	\$245,060	12/31/03 -12/30/05	410	326	290	3
**ET03-0158	\$505,843	10/03/02 -10/02/04	777	788	755	755

*The Contractor reports that 380 trainees started training and 30 additional trainees will commence training on September 2004. Also, of the 290 trainees who completed training, 220 trainees will complete the retention period by September 2004.

**The Contractor's representatives state that ETP training has concluded in this project. Of the 755 trainees that completed training, 640 completed the retention period and 115 trainees will complete the retention period by October 2, 2004, resulting in a 97 percent completion rate.

El Camino Community College CACT

MENU CURRICULUM

Jobs 1-3 (40-80 Class/Lab Hours)

Jobs 4-5 (24-160 Class/Lab Hours)

Trainees will receive one or more of the following subjects:

MANUFACTURING SKILLS

Shop Measurements

Use of Common Measurement Instruments
Shop related Mathematical Operations

Geometric Dimension & Tolerances

Datums
Basic Dimensions
Tolerance Calculations

Blueprint Reading

Detail Drawings
Title Blocks, etc.
Notes

Machining Fundamentals

Introduction to Machine Tool Technology
Lathe, Milling, Grinding and Gear Cutting Machines Set-up Operations

Numerical Control Fundamentals

Master Computer-Aided Manufacturing (MCAM)
Smart Computer-Aided Manufacturing (SCAM)
Computer Numerical Control (CNC) Lathe and Milling Machine Set-up Operations

Welding/ Soldering

American National Standards Institute (ANSI) Soldering
Welding and Soldering to Specifications

Beverage Equipment Service Technician Level I

Electrical Theory
Electro-Mechanical Devices
The Big Three Diagnostic Approach

CONTINUOUS IMPROVEMENT

Statistical Process Control (SPC)

- Organize for Quality
- Variable Control Charts
- Analysis and Interpretation
- Six Sigma

Boeing Advanced Quality Systems I

- Variation
- Goal Posting
- Run Charts

Boeing Advanced Quality Systems II

- Short Run SPC
- Advanced Methods
- Cp and Cpk Using Target Charts

Team Building & Empowerment

- Six Roles In Team Performance
- The Four Stages of Team Development
- Group Techniques

Problem-Solving

- The Seven Step Problem-Solving Roadmap
- Apply Problem-Solving Process to Your Organization

Project Management

- The Three Principals of Effective Project Management
- The Tools and Techniques of Effective Project Management in Simulated Project

Time Management

- Manage Interruptions and Time Stealers
- Apply Time Management Practices to Your Job

Leadership Skills

- Determine What Makes a Great Leader
- Mitigate Your Leadership Shortcomings
- Practice Role-Playing

Process Mapping

- Kaizen and Kaikaku
- Eight Factors in Defining Processes
- The Theory of Constraints
- Lean Manufacturing

CONTINUOUS IMPROVEMENT (Continued)

Set-Up Time Reduction

- Basic Steps in Set-up Time Reduction
- Three Stages of Single Minute Exchange of Dies

Zero Defects with Poke Yoke

- Four Components of Zero Defects
- Poke Yoke Techniques

Design of Experiments (DOE)

- Basic Experimental Design and Analysis I
- Basic Experimental Design and Analyses II

Quality Function Deployment (QFD)

- Use of Theory of Inventive Problem-Solving (TRIZ) to Create Winning Product
- Understand How to Use Integrated Product Development (IPD) To Build

Continuous Improvement

- Three Strategies for Managing Variation: Goal Post, Mid Course and Design Phase
- Apply Continuous Quality Improvement (CQI) Tools and Techniques to Your Job

BUSINESS SKILLS

Business Grammar and Writing Skills

- Business Writing Techniques
- Grammar Techniques
- Email Writing Techniques

Customer Service

- Customer Relations
- Resolving Customer Complaints

Communication Skills

- Conflict Management
- Workplace Diversity
- Negotiating, Listening and Interpersonal Skills

Project Coordination

- Strategic Planning
- Evaluations and Monitoring

International Trade

- Fundamentals of Export**

COMPUTER SKILLS

Introduction to Windows
Word-processing
Spreadsheets
Database Applications
Presentation Software
Internet and E-mail
E-Commerce
Enterprise and Manufacturing Management Systems (MRP/ERP)
Catia
Unigraphics

LITERACY SKILLS (VOCATIONAL ENGLISH AS-A-SECOND LANGUAGE - VESL 45% OF TOTAL CLASS/LAB HOURS)

Basic workplace terminology
Introduction of process terminology
Written communications
Understanding manuals and reports

**Participating Employers in Retrainee/New Hire
Multiple Employer Contracts**

Contractor's Name: El Camino College CACT

CCG No.: ET04-0525

Reference No: 04-0418

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PRINT OR TYPE

Company: Adams Rite Aerospace Inc

Address: 4141 N.Palm Street

City, State, Zip: Fullerton CA 92835

Contact Person/Title: Martha Kinsley, HR Manager

Telephone No.: (714) 278-6340

Collective Bargaining Agreement(s): N/A

Estimated #of employees to be retrained or hired under this Agreement: 60

Total # of full-time company employees worldwide: 187

Total # of full-time company employees in California: 187

Company: Air Louvers-Samson Products

Address: 6285 Randolph Street

City, State, Zip: Commerce, CA

Contact Person/Title: Delia Mercado, HR Manager

Telephone No.: (323) 726-8814

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained or hired under this Agreement: 175

Total # of full-time company employees worldwide: 185

Total # of full-time company employees in California: 185

Company: Car Sound Exhaust

Address: 22961 Arroyo Vista

City, State, Zip: Rancho Santa Margarita, CA 92688

Contact Person/Title: Al Morelli, Manager Project Specialist

Telephone No.: (949) 858-5900

Collective Bargaining Agreement(s): N/A

Estimated #of employees to be retrained or hired under this Agreement: 100

Total # of full-time company employees worldwide: 172

Total # of full-time company employees in California: 172

Participating Employers in Retrainee/New Hire Multiple Employer Contracts

Contractor's Name: El Camino College CACT

CCG No.: ET04-0525

Reference No: 04-0418

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PRINT OR TYPE

Company: Intex Recreation Corp

Address: 4130 Santa Fe Ave

City, State, Zip: Long Beach, CA 90810

Contact Person/Title: Sylvia Smullen, Human Resources Manager

Telephone No.: (310) 549-5400

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained or hired under this Agreement: 15 +

Total # of full-time company employees worldwide: 110

Total # of full-time company employees in California: 110

Company: Moog Inc. Aircraft Group Torrance OPNS

Address: 20263 Western Ave

City, State, Zip: Torrance, CA 90501

Contact Person/Title: (310) 618-6609

Telephone No.: (323) 726-8814

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained or hired under this Agreement: 100

Total # of full-time company employees worldwide: 1250

Total # of full-time company employees in California: 400

Company: Teledyne Microelectronic Inc.

Address: 12964 Panama Street

City, State, Zip: Los Angeles CA 90066

Contact Person/Title: Gina Huling, HR Manager

Telephone No.: (310) 822-8229

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained or hired under this Agreement: 275

Total # of full-time company employees worldwide: 2655

Total # of full-time company employees in California: 1352

**Participating Employers in Retrainee/New Hire
Multiple Employer Contracts**

Contractor's Name: El Camino College CACT

CCG No.: ET04-0525

Reference No: 04-0418

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Company: Tri_Star Electronics

Address: 2201 Rosecrans Ve.

City, State, Zip: el Segundo CA 90245

Contact Person/Title: Sylvia Smullen, HR Manager

Telephone No.: (310) 536-0444

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained or hired under this Agreement: 100

Total # of full-time company employees worldwide: 470

Total # of full-time company employees in California: 470

**Participating Employers in Retrainee/New Hire
Multiple Employer Contracts**

Contractor's Name: El Camino College CACT

CCG No.: ET04-0525

Reference No: 04-0418

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PRINT OR TYPE